

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

Postal Regulatory Commission
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November 19, 2008

The Honorable Dan G. Blair
Chairman
United States Postal Regulatory Commission
901 New York Avenue, NW, Suite 200
Washington, DC 20268

Re: Review of Nonpostal Services, PRC Docket No. MC2008-1

Dear Chairman Blair:

The U.S. Chamber of Commerce, the world's largest business federation, representing more than three million businesses and organizations of every size, sector, and region, appreciates the opportunity to submit these comments in response to Order No. 126, the Postal Regulatory Commission's (Commission) Order Granting, In Part, Pitney Bowes Inc. Motion To Compel, issued on November 4, 2008. The Chamber believes that it is inappropriate for the United States Postal Service, as an independent establishment of the Executive Branch, to compete in commercial markets unrelated to its core postal functions.

The 2006 Postal Reform law embodied a fundamental compromise. To protect and safeguard the Postal Service as a basic and fundamental service provided to the American people, Congress did not repeal the postal monopolies that protect the Postal Service from competition in its core postal business. In exchange, Congress directed the Postal Service to focus on its core business. Congress further sought to ensure that the Commission continued to exercise oversight responsibility for all Postal Service offerings as a means of ensuring transparency and accountability and not foray beyond its core services as it had done in the past.

The Chamber is concerned that the Postal Service's arguments in support of its commercial licensing authority undermine the fundamental compromise of the 2006 reform law. The breadth of the Postal Service's view of its own authority is also unsettling. The Postal Service appears to be taking the position that it may leverage its government "brand" to expand its commercial licensing program into virtually any business activity, thereby putting it in direct competition with private firms operating in commercial markets without any regulatory oversight from the Commission. The Chamber strongly believes such actions are inappropriate and inconsistent with the intent of Congress in enacting the postal reform law.

Sincerely,



R. Bruce Josten